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UNITED STATES	DISTRICT COURT
CENTRAL DISTRI	CT OF CALIFORNIA

WRITERS GUILD OF AMERICA, WEST, INC., A California corporation,

CASE NUMBER:

CV 98-3377 MMM (RNBx)

Pla: V.

Plaintiff(s)

ALBERT BAND INTERNATIONAL PRODUCTION, INC. and FULL MOON ENTERTAINMENT, INC.,

Defendant(s)

CERTIFICATION OF JUDGMENT FOR REGISTRATION IN ANOTHER DISTRICT

I, Sherri R. Carter, Clerk of this United States District Court certify that the attached judgment

is a true and correct copy of the original judgment entered in this action on

<u>June 3, 1998</u>

Date

as it appears in the record of this court, and that * (see below)

NO NOTICE OF APPEAL FROM THIS JUDGMENT HAS BEEN FILED, AND NO MOTION OF ANY KIND LISTED IN RULE 4(a) OF THE FEDERAL RULES OF APPELLATE PROCEDURE HAS BEEN FILED.

IN TESTIMONY WHEREOF, I sign my name and affix the seal of this Court on

mber 18, 2003

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AY SEATHE CLERK U.S. DEVINCT COURT WESTERN DISTRICT OF WASHINGTON BY DEPUTY SHERRI R. CARTER

CLERK, U.S. DISTRICT COURT

/: \ Deputy Clerk

* Insert the appropriate language:

"no notice of appeal from this judgment has been filed, and no motion of any kind listed in Rule 4(a) of the Federal Rules of Appellate Procedure has been filed."

"no notice of appeal from this judgment has been filed, any motions of the kinds listed in Rule 4(a) of the Rules of Appellate Procedure [*] have been disposed of, the latest order disposing of such a motion having been entered on [date]."

"an appeal was taken from this judgment and this judgment was affirmed by mandate of the Court of Appeals issued on [date]."

"An appeal was taken from this judgment and the appeal was dismissed by order entered on [date]."

[NOTE: The motions listed in Rule 4(a), Fcd.R.App.P., are motions: for judgment notwithstanding the verdict; to amend or make additional findings of fact; to alter or amend the judgment; for a new trial; and for an extension of time for filing a notice of appeal.]

ŀ JUN - 2 1998 2 I HENERY CENTRY THAT THIS COCUMENT WAS SERVED OF CENTRAL DISTRICT OF CALIFORNIA FIRST CLASS MAIL POSTAGE MIEPAID, TO ALL COUNSEL (OR PARTIES) AT THEIR RESPECTIVE MOST RECEIG ACCRESS OF 3 4 5 N Brigo DK. U.S. DES TOTO COURT 6 JUN - 3 19**98** 7 8 UNITED STATES DISTRICT COURT 9 CENTRAL DISTRICT OF CALIFORNIA 10 11 WRITERS GUILD OF AMERICA, 12 WEST, INC., a California corporation, CASE NO. CV 98-3377 MMM (RNBx) 13 Pennoner, 14 15 JUDGMENT CONFIRMING VS. ARBITRATION AWARD 16 ALBERT BAND INTERNATIONAL PRODUCTIONS, INC. and FULL 17 MOON ENTERTAINMENT, INC., 18 Respondents. 19 20 Writers Guild of America, West, Inc. ("Writers Guild") filed its petition for an order 21 confirming the arbitration award entered in its favor and against respondents Albert Band 22 International Productions, Inc. and Full Moon Entertainment, Inc. on May 1, 1998. 23 Simultaneously, the Writers Guild noticed a hearing on its motion for confirmation of the award 24 for June 1, 1998. The petition and motion were duly served on respondents, who filed no 25 opposition to the motion and made no appearance in the action. The Court having considered the 26

pleadings and documents on file in the action, and having heard argument of counsel,

JUN 3

IT IS ORDERED, ADJUDGED AND DECREED that judgment be entered in this

1998

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proceeding as follows:

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- 1. The Arbitration Award in Arbitration Case No. 94-RE-036 dated October 30, 1997, and signed by Louis M. Zigman, Sole Neutral Arbitrator, is confirmed in all respects. Arbitrator Zigman's Award, attached hereto as Exhibit "A," is incorporated in and made a part of this judgment.
- 2. The Court finds that respondents' refusal to abide by the arbitrator's award was an unjustified act undertaken in bad faith. The Court bases this finding on the following facts: The Arbitration Award reflects that respondents received proper notice of the arbitration proceedings, but failed to appear and participate in them. Evidence produced by the Writers Guild reveals that, on November 5, 1997, respondents were served with a copy of the award, and a demand that they pay the amounts awarded by the arbitrator. As of the date of the filing of this action, respondents had failed in any manner to comply with the provisions of the award or to challenge its validity by filing a petition to vacate or modify the award. Although served with the Writers Guild's petition and motion in this action, respondents failed to appear and oppose entry of a judgment confirming the award. These circumstances give rise to an inference that respondents do not contest their liability for the amounts awarded by the arbitrator, but rather simply refuse to honor their obligations under the collective bargaining agreement and the arbitration award rendered pursuant to its terms. See Sheet Metal Workers' International Ass'n. Local Union No. 359 v. Madison Industries, Inc. of Arizona, 84 F.3d 1186, 1192 (9th Cir. 1996) [noting district court's finding that it was significant that respondent "simply refused to honor the award rather than filing a petition to vacate it," and upholding an award of attorney's fees]; International Union of Petroleum and Industrial Workers v. Western Industrial Muintenance, Inc., 707 F.2d 425, 428-29 (9th Cir. 1983) [party's refusal to satisfy the clear terms of the arbitration award "gave rise to the necessity to petition the district court for enforcement of that right with the attendant delay and expense"].
- 3. Because it finds that respondents' failure to abide by the terms of the Arbitration Award was unjustified and in bad faith, the Writers Guild is awarded its reasonable attorney's fees in the amount of \$1,200.00.

4. The Writers Guild is awarded its costs incurred in bringing this action in the amount of \$150.00. Dated: June 1, 1998

2 3 4 BEFORE THE WRITERS GUILD OF AMERICA, WEST, INC. - PRODUCERS 5 ARBITRATION TRIBUNAL 6 7 In the Matter of the Arbitration between ARBITRATOR'S WRITERS GUILD OF AMERICA, WEST, INC., 8 OPINION AND AWARD Complainant, 9 VS. 10 ALBERT BAND INTERNATIONAL PRODUCTIONS, INC. 11 and FULL MOON ENTERTAINMENT, INC., CASE NO. 94-RE-036 12 Respondents. 13 Relating to unpaid residual compensation in connection with the theatrical motion 14 pictures entitled "CRASH AND BURN" and "SHADOWZONE." 15 16 **OPINION** 17 The above-entitled arbitration case was heard before Louis 18 Zigman, the sole neutral arbitrator, on October 29, 1997 at the 19 offices of the Writers Guild of America, west, Inc. at 7000 West Third Street, Los Angeles, California 90048. Mark Mitchell, 20 Associate Counsel of the Writers Guild of America, west, Inc. 21 ("Complainant" or "WGA"), appeared on behalf of the WGA. 22

EXHIBIT "A"

All notices required by the WGA Theatrical and Television

Minimum Basic Agreement ("MBA") in connection with this arbitration

Respondents Albert Band International Productions, Inc. and Full

Moon Entertainment, Inc. ("Respondents"), did not appear.

claim were duly served on Respondents.

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Pursuant to MBA Articles 10.D, 11.A.4 and 11.C.6.b, the arbitration proceeded as noticed. Oral and documentary evidence were presented by Complainant.

The Arbitrator has considered all of the oral and documentary evidence presented at the hearing and based thereon and upon the provisions of the 1988 MBA, makes the following Findings of Fact, Opinion and Award:

FINDINGS OF FACT

The case is properly before the Arbitrator. Respondents
Albert Band International Productions, Inc. and Full Moon
Entertainment, Inc. were duly notified and properly served with the
Notice of Arbitration Hearing and the Notice of Claim and Claim.

Respondent Albert Band International Productions, Inc. is signatory to the 1988 Writers Guild of America Theatrical and Television Basic Agreement. By means of assumption agreements, Respondent Full Moon Entertainment, Inc. assumed MBA obligations with regard to the theatrical motion pictures "Crash and Burn" and "Shadowzone" (the "Pictures.") Albert Band International Productions, Inc. and Full Moon Entertainment are jointly and severally liable for the amounts claimed.

During the term of the 1988 MBA, Respondents produced or caused to be produced the Pictures. Respondents released the Pictures to various supplemental markets, including but not limited to, video cassettes, pay television and free television.

Article 51 of the MBA requires Respondents to pay residual compensation on behalf of writer J.S. Cardone (the "Credited Writer") for distribution of the Pictures on video cassettes ("Video Cassette Residuals") in an amount totaling one and one-half

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percent (1.5%) of the Producer's gross on the first one million dollars and one and eight-tenths percent (1.8%) of Producer's gross if the gross derived from distribution of the Pictures on video cassettes exceeds one million dollars. Respondents have not paid Video Cassette Residuals which are currently owed in the amount of \$11,905 as to "Crash and Burn" and in the amount of \$11,063.08 as to "Shadowzone."

Article 51 of the MBA also requires Respondents to pay residual compensation to the WGA on behalf of the Credited Writer in an amount totaling one and two-tenths percent (1.2%) of Respondents' accountable receipts derived from distribution of the Pictures to pay television ("Pay TV Residuals"). Respondents have not paid Pay TV Residuals which are currently owed in the amount of \$302.88 as to "Crash and Burn" and in the amount of \$1,000.44 as to "Shadowzone."

Article 15.A.3. of the MBA also requires Respondents to pay residual compensation to the WGA on behalf of the Credited Writer in an amount totaling one and two-tenths percent (1.2%) of Respondents' accountable receipts derived from distribution of the Pictures to free television ("Free TV Residuals"). Respondents have not paid Free TV Residuals which are currently owed in the amount of \$2,348.06 as to "Crash and Burn" and in the amount of \$2,277.41 as to "Shadowzone."

Articles 51.3.f and 15.A.3.f. of the MBA require Respondents to pay interest on unpaid residual compensation at the rate of one and one-half percent (1.5%) per month, commencing to accrue when the payments were due and continuing to accrue until paid in full. 28 Respondents must pay interest on the unpaid residual compensation

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which, to date, amounts to \$17,897.69 for "Crash and Burn" and in the amount of \$18,498.31 for "Shadowzone."

Articles 51.3.f and 15.A.3.f. of the MBA require Respondents to furnish or cause to be furnished to the WGA, on a quarterly basis and no later than sixty (60) days following the end of a calendar quarter, a written report showing the Producer's gross receipts for the preceding quarter from distribution of a theatrical motion picture. The evidence established that not all such reports have been furnished by the Respondents to the WGA regarding the Pictures. Failure to file the required reports is a material breach of the MBA.

AWARD

Based upon the foregoing, the Arbitrator makes the following Order:

- Respondents Albert Band International Productions, Inc. and Full Moon Entertainment, Inc. are ordered, jointly and severally, to pay immediately to the WGA on behalf of the Credited Writer Fourteen Thousand Five Hundred Fifty-Five Dollars and Ninety-Four Cents (\$14,555.94) residuals for distribution of *Crash and Burn* to videocassette, pay television and free television through the third quarter of 1996;
- Respondents Albert Band International Productions, Inc. and Full Moon Entertainment, Inc. are ordered, jointly and severally, to pay immediately to the WGA on behalf of the Credited Writer Seventeen Thousand Eight Hundred Ninety-Seven Dollars and Sixty-Nine Cents (\$17,897.69) in accrued interest on the unpaid ' residual compensation concerning "Crash and Burn." Interest 28 continues to accrue on the unpaid principal at the rate of one and

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one-half percent (1.5%) per month, from November 1, 1997 until the residuals are paid in full.

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- Respondents Albert Band International Productions, Inc. and Full Moon Entertainment, Inc. are ordered, jointly and severally, to pay immediately to the WGA on behalf of the Credited Writer Fourteen Thousand Three Hundred Forty Dollars and Ninety-Two Cents (\$14,340.92) in residuals for distribution of "Shadowzone" to videocassette, pay television and free television through the third quarter of 1996;
- Respondents Albert Band International Productions, Inc. and Full Moon Entertainment, Inc. are ordered, jointly and severally, to pay immediately to the WGA on behalf of the Credited Writer Eighteen Thousand Four Hundred Ninety-Eight Dollars and Thirty-One Cents (\$18,498.31) in interest on the unpaid residual compensation concerning "Shadowzone," plus continuing interest at the rate of one and one-half percent (1.5%) per month, from November 1, 1997 until the unpaid residuals are paid in full.
- Respondents Albert Band International Productions, Inc. and Full Moon Entertainment, Inc. are ordered, jointly and severally, to immediately furnish to the WGA written reports showing the Producer's gross receipts, as defined in the MBA, from the distribution of the Pictures on videocassette, pay television and free television.
- The WGA is assigned the right to receive all monies owed to Respondents by any third party, subject to any prior perfected 26 security agreement in favor of another party, until the amounts awarded herein are paid in full. Respondents are hereby ordered to 28 give, or the WGA at its election may give, notice to appropriate

third parties that Respondents' right to receive monies is assigned to the WGA until the sums awarded herein are paid in full.

- 7. The WGA will advance Respondents' one-half share of both the Arbitrator's fee and the Court Reporter's fee. Respondents Albert Band International Productions, Inc. and Pull Moon Entertainment, Inc. are ordered, jointly and severally, to pay immediately one-half of the Arbitrator's fee in the amount of \$ 800 \text{m} and one-half of the Court Reporter's fee to the Writers Guild of America, west, Inc.
- 8. This Award may be confirmed in any court of competent jurisdiction.

DATED: 10/30/97

 Youis Zigman Sole Neutral Arbitrator

Present after and certify in the following t

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